Thursday Grand Opening For K Mart Store

The first K mart discount department store in Texarkana will open at 10 a.m. Thursday. It is located at the southwest corner of State Line and I-30. The new unit is being managed by Dale M. Schiavone.

This will be the 31st K mart in Texas and the third to open in the state this year as the K mart division of the S. S. Kresge Company continues its programmed expansion in the state. Three more Texas K marts will open later in October in Abilene, Fort Worth and Pasadena.

On the same day the Texarkana K mart opens to the public, K marts will be making their debuts in Lancaster, Calif., and Waukesha, Wis.

Texarkana city officials and top executives of the Kresge Company will take part in a brief ribbon-cutting ceremony at the main doors of the store immediately before opening.

Because record crowds of all ages are expected to participate in the grand opening, police have been asked to give special attention to traffic on the streets surrounding the store during the first few hours of opening. "This is for the safety of the motorists driving by," explained Schiavone. "Once a car is in our adequate and convenient parking lot there should be no congestion."

The S. S. Kresge Company, operator of the K mart, has operated some of the most popular stores in the nation for 71 years.

Texarkana was selected as the site for a K mart because of its progressive residential and commercial growth, officials said.

"The new K mart, selling nationally advertised products and backing all sales with a 'satisfaction always' policy, will be a discount department store in its pricing policies," Schiavone said.

Following are highlights of the merchandise the department store will carry: major appliances, including color television sets, washing machines and refrigerators; small appliances; furniture; building tools and supplies; floor coverings; draperies, yard goods and sewing materials; women's fashions; men's, boys', girls' and infants' clothing; bedding; jewelry; camera supplies; books and records; pets and pet supplies, and health and beauty aids.

The K mart will have a complete automotive center with a large auto music section featuring stereo tape players and tapes. Several bays will be available to expedite light maintenance and parts replacement service. The center will offer wheel alignments and balancing; the quick checking and replacement of brakes, tail pipes and mufflers. The store will also feature a full-line sporting goods department and a self-service snack bar with booth seating.

"More than 175 Texarkana residents will be given full employment when the new K mart opens," said Schiavone. "Additional personnel will be hired part-time during holiday seasons. A staff made up of entirely local people will assure our being alert to all of the needs of our new customers."

The first K mart opened in a suburb of Detroit in 1962. Kresge's Chairman Harry B. Cunningham conceived K mart as a store selling top-quality merchandise at a small profit to induce high volume.

"This concept," explained Schiavone, "brought immediate and overwhelming public acceptance resulting in expansion to more than 360 K marts in the United States, Puerto Rico, Canada and Australia by mid-1970."

The Kresge Company plans to open 25 to 30 more K marts this year.

Schiavone joined the Kresge management-training program in 1965 in Minneapolis, just one month after graduating from the University of Minnesota. He was promoted to the management of his first store in 1967 in Aberdeen, S.D. It was a Jupiter discount unit. He successively managed Jupiter stores in Minot, N.D., and E. St. Louis, Ill. He comes to his Texarkana assignment from the co-managership of a K mart in Des Moines, Ia.

The new K mart discount department store will be under the supervision of Clyde K. Bowles, vice president of Kresge's Southern Region headquartered in Atlanta.

Board Chairman Harry B. Cunningham With His Store

Basic Principles Make For Success

The K mart discount department store of today is a combination of basic principles created before the first K mart opened in 1962 and improvements resulting from almost a decade of experience and research.

The original K mart blueprint emphasized that K mart selling prices must be always competitive. They are still as low as or lower than the selling prices available to K mart customers within any given trading area. Although price tags on K mart merchandise are determined by S. S. Kresge Company headquarters in Detroit, each K mart manager is personally responsible for keeping his store competitive. The manager may recommend lower prices, but he does not have the right to raise them.

K mart stores were to be publicized as true discount department stores. Only when unusual demand requires K marts to carry certain "fair trade" lines, such as prestige cosmetics, do customers find a few items that are not discounted. But policy continues to require the replacement of such merchandise as quickly as other items of equal or superior value and selling merit can be developed.

Part of the company's effort to give customers quality merchandise was to be a private label program. The K mart division has consistently created its own brands of exceptional values in staple assortments. A strong private label program has developed in such lines as cameras, apparel, domestics, hardware and home improvements. Private label merchandise is manufactured under strict controls. Every item is laboratory tested to assure quality equal or superior to that of the leading competitive nationally advertised brand and can be placed on K mart counters at a lower price.

An active import program was also specified to improve merchandise quality while maintaining discount prices. Buying representatives in European and Asian markets work closely with the home office import department. Kresge Company buyers frequently travel abroad in search of merchandise and K mart exclusives. All imported merchandise is required to equal or surpass the quality specifications of its domestic counterpart and be available at lower cost.

An advertising program was to be created to gain customers' complete confidence in the integrity and credibility of K mart. The customer who goes to a K mart in response to a newspaper or television advertisement will find advertised items at advertised prices prominently displayed.

The Kresge Company's traditional "satisfaction always" policy was to be incorporated into the operating standards of every K mart and proclaimed by signs throughout the sales floor. The sincerity of this policy is proved by the ease with which a customer can get a refund or exchange. The K mart service desk is conveniently located at the front of the store where attendants are always available to refund shopper's money, exchange merchandise or credit charge accounts. The only requirement is the purchase receipt.

One of the final, but perhaps one of the most important, aspects of the original K mart blueprint was that all K marts would be staffed by quality personnel. The men chosen to manage K marts are experienced career managers with proven executive ability and demonstrated qualifications as promotional-minded merchants. The strongest possible emphasis is placed on the maintenance of consistently high standards for department heads and salespeople.

Experience and research have added some new dimensions to the original K mart blueprint. K mart stores are larger today. The first K marts averaged 66,000 square feet, exclusive of food supermarkets. Today's typical K mart is 84,000 square feet exclusive of the supermarket.

Store size has increased to accommodate new departments and expanded lines that are demanded by modern consumers.

Southern Region Is Led By Experienced Officer

Clyde K. Bowles is vice president for the S. S. Kresge Company's Southern Region. He is responsible for more than 200 K mart, Kresge variety and Jupiter discount stores in 16 states, the District of Columbia and Puerto Rico.

Bowles responsibility is supervision of store operations in this region. He works closely with his district managers to see that each store manager tailors his merchandise assortment to meet the shopping needs of his particular customers.

Among other duties, Bowles sees to it that the quality of goods remains high, prices remain low, the Kresge Company's "satisfaction always" policy is maintained and outstanding leadership ability is recognized within all personnel ranks.

The retail business offers golden opportunities for young people, Bowles believes.

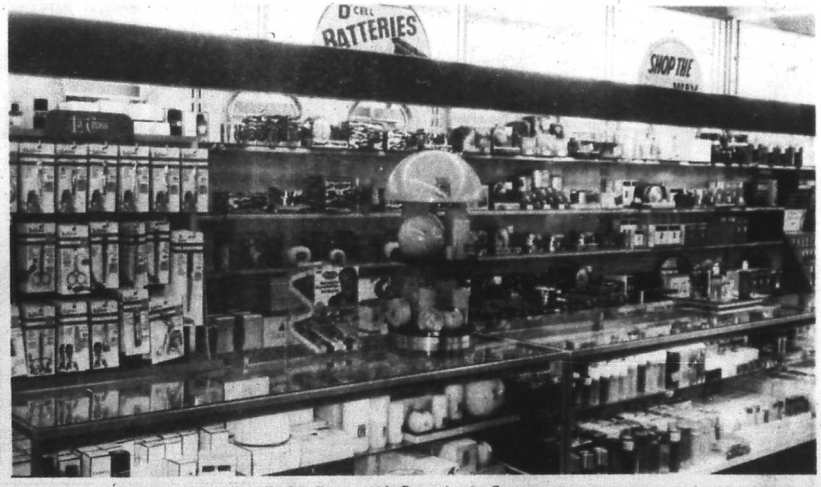
"Of course," Bowles said, "the work can be hard, but rewards for those who put in their best effort come more quickly than in any other field."

Bowles own career is a testimonial to his beliefs. After graduating from the University of Illinois, he started in the retail business in 1931 in the Kresge management-training program. He served as a store manager, a district manager, assistant to a top executive and buyer before becoming a top executive himself in 1960—manager of the company's Western Region.

C. K. BOWLES
Vice President

DALE SCHIAVONE
....Local Manager

'Midway' And Displays Assure Convenience



Health, Beauty Aids Dept. Awaits Customers

S.S. Kresge History Unravels As Exciting and Fabulous Retail Story

1897—Sebastian S. Kresge entered the dimestore business, buying half interest with J. G. McCrory in a store in Memphis, Tenn., with $8,000 in savings.

1898—Kresge and McCrory became partners in a second store on Woodward Avenue near Shelby in Detroit, Mich.

1899—Founding of the company: Kresge traded his half of the Memphis store and $3,000 to McCrory for full ownership of the Detroit store.

1899—Company called "Kresge and Wilson" in recognition of Kresge's new partner, his brother-in-law Charles J. Wilson. Partnership was ended in 1907 when Kresge bought out Wilson.

1904—Four dimestores

1905—Eight dimestores

1909—Forty-two dimestores

1910—Employee benefits formalized with paid vacations of up to four weeks and Christmas bonuses based on length of service.

1912—S. S. Kresge Company incorporated in Delaware with stock at $10 par, 85 stores and sales of $10,325,000.

1913—Company experimentally entered the mail-order catalogue business with a complete stock of items selling for a dime or less. Discontinued the same year.

1916—There were 150 stores and the company was re-incorporated in Michigan with a further public distribution of stock.

1917—End of the true dimestore era. Company stores, caught in World War I inflation, were forced to raise some items to 15c or discontinue items.

1920—Top price limit raised again to 25c. There were 184 Kresge stores and annual sales were $51,245,000.

1921—Kresge green front stores, to sell items costing 25c to $1.00, came into existence. They abutted Kresge dimestores. Other dimestore chains followed this lead and the "dollar store" was born.

1924—The company went briefly back into the mail-order business in response to the make-it-yourself radio craze, filling orders for kits from as far away as New Zealand.

1925—Charles B. Van Dusen became president when Kresge stepped down, retaining post as chairman.

1929—Canadian subsidiary S. S. Kresge Company, Ltd. was founded. By the end of the year 19 stores were in operation in Canada.

1929—Total Kresge stores—597. Total annual sales—$156,457,000.

1935—The company reached its dimestore peak with 745 units and started phasing out the green front division by physically joining green front stores and dimestores to make variety stores.

1938—Roy R. Williams succeeded Van Dusen as president.

1941—Employee pension plan instituted.

1946—Daniel C. Fisher succeeded Williams as president. The company achieved record sales of $251,453,000. Net profit was $21,962,000. Dividends reached an all-time high of $2.50 per share on earnings of $3.98 per share. There were 696 stores, 61 of them in Canada.

1952—Company began converting Kresge variety stores to checkout operations.

1953—Franklin P. Williams succeeded Fisher as president.

1956—Kresge began opening stores in shopping centers and began expansion in the South and West.

1959—Harry B. Cunningham became president, succeeding Williams.

1960—Jupiter discount store concept was applied to Kresge variety stores whose profits were slipping. Conversion to the first three units took place in Detroit in May.

1962—The first K mart discount department store opened in a suburb of Detroit in March. Seventeen others opened the same year.

1965—Employee stock purchase plan instituted. Kresge acquired former license Holly Stores, Inc. of New York City, operators of women's and girls' ready-to-wear departments in K mart.

1966—Founder Sebastian S. Kresge died at the age of 99.

1966—Sales reached $1,090,181,000—a record. Number of stores climbed to 915. K mart discount department stores totaled 162. Earnings climbed to $28,609,000, a 29 per cent increase over the previous year. Record volume for 1966 was primarily the result of the K mart program but sales and profit increases were generated by all other divisions of the company.

1967—Harry B. Cunningham became chairman as well as president.

1967—Sales climbed to $1,385,706,000—a 25 per cent increase over the 1966 record. K mart discount department stores numbered 217, Jupiter discount stores 117 and Kresge variety stores 614. The Kresge Company opened its first K mart gasoline station and first K mart Chef drive-in on the parking lots of K mart stores.

1968—Joint venture between the S. S. Kresge Company and G. J. Coles and Coy, Ltd. of Australia initiated the company K mart (Australia) Limited with Kresge having controlling interest. The new company was formed to operate K mart stores in Australia. A second subsidiary, K mart Enterprises, Inc., was developed to operate sporting goods and automotive departments in U.S. K marts.

1968—Sales reached $1,731,533,000, a 25 per cent increase over 1967. The total number of stores in operation was 962; 273 were K marts. Earnings increased to $47,611,000, 36 per cent over 1967.

1969—The company completed 1969 with sales in excess of $2 billion and 338 K marts in operation in the United States, Canada, Puerto Rico and Australia. Kresge expects to open 60 to 65 K marts a year.

1969—Kresge announced plans to move its headquarters from Detroit to Troy, Mich., to get space for necessary expansion. Ground was broken for Kresge's new International Headquarters on December 9. The structure should be ready for occupancy in late 1971.

1970—Harry B. Cunningham resigned as president but remains Kresge's chairman of the board and its chief executive officer. Robert E. Dewar was elected president and chief administrative officer. Dewar, 47, formerly was executive vice president for administration and finance. He is a member of the board.